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All that can be safely said on the possible discovery of new and great bonanzas is that the chances are against such discoveries within any near period. More than three centuries elapsed between Potosi and the Comstock lode, and it is a fact of observation, both in respect to silver bonanzas and great gold fields, that they are separated by great spaces of geographical distance. It certainly cannot be proposed to predicate legislation upon the possible discovery of new gold fields like those of California and Australia or of new silver lodes like those of Potosi and the Comstock.

So far as the future of silver mining in the United States depends upon the increased working of ordinary silver mines, it is safe to assume a steady advance as capital and labor become more abundant and as the means of access to the regions in which those mines are found are multiplied and improved. But experience has shown that rapidity in such advance is not to be expected. It takes time to inspire capital with confidence in such investments, and the more so because the needed capital must be drawn, to a large extent, from points remote from the localities of the mines. No increase in the yield of silver in the immediate future seems, upon the whole, to be probable, and it is still less probable that there can be such an increase as will compensate for the continuing decrease in the yield of gold. And even if this should be the case, there would be no increase in the aggregate supply of the two metals, which is now scarcely sufficient to meet the money needs of the world's advancing population and to keep the existing stocks good against loss by accident and abrasion and consumption in the arts.

According to the estimates of Tooke and Newmarch, the gold yield of the world during the first five years of the California and Australian developments, ending with and including 1856, averaged annually £29,176,000, and during the five years ending with and including 1875, £20,308,200, showing an average annual reduction in the latter period of £8,867,000.

According to the estimates of Sir Hector Hay, the gold yield of the world in the five years ending with 1856 averaged annually £29,385,000, and in the five years ending 1875, £19,640,000, showing the larger reduction of £10,295,000.

The smaller of these two estimates of

reduction in the yield of gold is considerably larger than the increase in the yield of silver during the five years ending with 1875, but the silver yield of the United States is now greater than \$23,800,000, which was its annual average during the five years ending with 1875. By so much as it is greater, so much more nearly does the silver increase offset the gold decrease. But on no estimate is the offset a complete one.

It thus appears that the aggregate production of the two metals has declined since 1856, and that the probabilities are at least as strong of a future decline as of a future increase. But it has been urged that the yield of the two metals in 1856 was much too great, and that the yield for the last twenty years, on a scale somewhat but not much declining, has been in excess of the legitimate wants of commerce and increasing populations, and that the continuance of the production on an equal scale would tend to depreciate the value of money and to increase the prices of commodities to an injurious and dangerous extent. If this is true, it would tend to indicate and excuse the demonetization of one of the metals as a measure necessary to protect the interests of creditors.

Undoubtedly the largely increased output of the two metals for the five years ending with 1856 produced a general increase of prices throughout the commercial world. But no evils resulted from this increase, which, on the contrary, so stimulated productive industry as to be of immense benefit to all classes, including creditors. But whatever resulted, the fact is an accomplished one. The world has accommodated itself to the new range of prices, and to demonetize either metal in order to restore the old range would bring on evils vastly greater than those sought to be remedied. There is no rule of equity or expediency which requires the world to go back to the prices of 1848, which would not require it to go back to the prices before the discovery of America. The vital questions to be decided are, whether the yield of the precious metals has been more than sufficient to maintain the range of prices attained from 1856 to 1865, and whether the present and prospective yield promises to do more than this for the future, and whether it is not more probable that the utmost yield of the two metals combined, which can reasonably be expected, may prove too small for the world's rapidly growing wants and cause a fall rather than a rise in general prices.

It is not proposed to enter upon the question still in dispute as to the most

accurate mode of calculating an average of prices, but to state the conclusions upon which there is a substantial agreement. These conclusions are—

1. That from the beginning of the revolutionary troubles in South America in 1800 to the opening of the California mines in 1849 there was a continuous rise in the value of money and a corresponding fall in the price of commodities. According to Jevons, money increased in purchasing power during this period 145 per cent.

2. That after 1849 there occurred a fall in the value of money and a rise in the price of commodities, which reached their maximum about 1865. During this period, according to the same authority, the purchasing power of money decreased 15 per cent.

3. That this decrease in the purchasing power of money has since then been quite overcome, and that its command over property is at least as great as it was in 1849, and very much greater than it was in 1809.

These conclusions relative to values and prices refer solely to the relation between money and property, and not to the relation between money and labor.

It is plausibly maintained by many economists that an increasing volume of money has a greater and more immediate effect in increasing the wages of labor than it has in increasing the prices of commodities. One reason given for this is that an increasing volume of money, while it stimulates industrial enterprises, at the same time furnishes the means to so organize and classify labor as to make it more effective, so that, although there may be a nominal, and, so far as the workman is concerned, an actual advance in wages, the real cost of labor to the employer is not increased. It is probable that the main and governing cause for the increased efficiency of labor is to be found in the moral effect which increased wages and steady employment have on the workman. They inspire him with a confident hope of bettering his condition. This hope imparts vigor to his arm and willingness to his mind. It stimulates his mental and especially his inventive faculties. Every period of increasing money has been marked as the most fruitful in the inventions of labor-saving machinery. These inventions, while they cheapen the cost of commodities, increase the demand for them to an extent fully as great, and do not diminish either wages or the demand for labor.

There is a diversity of opinion as to the exact dates at which prices may have risen or fallen and as to the exact extent

of such rise or fall; but it is universally conceded that the great increase of the world in commerce, in wealth, and in the population of its civilized portions, following and caused by the California and Australian discoveries, has more than kept pace with the yield of the precious metals since 1865, and that in or about that year the rise in general prices caused by these discoveries was distinctly checked and that they have since shown a large decline. This decline has been undoubtedly aggravated by the demonetization of silver in several commercial countries.

The suspensions of specie payments in Russia (1857), in the United States (in 1862), and in Italy (in 1866), all within twenty years, not only liberated a very large amount of specie, which was exported to specie paying countries, but cut off the demand of the suspending countries for the supplies of gold and silver which would have been required to keep up their stock of money if it had remained metallic. Were it not for this extraordinary supply and decreased demand, it is more than probable that the specie prices of commodities would now range lower than they did in 1849. It is certain that a resumption of specie payments in all or either of the three countries named would make such a demand for specie as would greatly appreciate its value, and force prices to a much lower level.

The still continuing suspensions which occurred in the Argentine Confederation (in 1857), in Peru and Austria (in 1868), and in France (in 1870), also diminished the demand for specie and increased its supply to the specie paying countries, but in much less measure than the suspensions in Russia, Italy and the United States.

The increase of the world in population, wealth and commerce is still continuing. The stock of metallic money will consequently become inadequate if it remains stationary, and still more suddenly and greatly inadequate if it should be reduced by the demonetization of either of the precious metals. The progress of mankind in the particulars mentioned has a most important bearing on the question of demonetizing silver. It will require the highest possible production of both metals if that progress is to continue in the future as great and rapid as it has been in the past. In general, we know that this progress has been very great during recent years, but the statement of certain particulars may give a more exact and just idea of it.

(To be continued.)

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